

O'NEILL & BORGES LLC

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May 18, 2022

Via Email [monsita.lecaroz@usdoj.gov](mailto:monsita.lecaroz@usdoj.gov)

Monsita Lecaroz-Arribas, Esq.  
Assistant U.S. Trustee  
Office of the U.S. Trustee  
500 Tanca Street  
Ochoa Building Suite 301  
San Juan, Puerto Rico 00901

Re: PROMESA Title III CASE NO. 3:17-BK-3282-LTS

**UNSUBSTANTIATED AND IRRELEVANT LETTER TO THE U.S. TRUSTEE  
PURSUANT TO THE *PUERTO RICO RECOVERY ACCURACY IN  
DISCLOSURES ACT OF 2021*, 48 U.S.C. 2101 ET SEQ., REGARDING  
PURPORTED CONFLICT OF INTEREST OF O'NEILL & BORGES LLC**

Dear Ms. Lecaroz-Arribas:

As forewarned in our letter of April 26, 2022, we submit here a response to the irrelevant and misleading letter dated April 9, 2022, from Carlos Lamoutte to the U.S. Trustee's office and his numerous subsequent up emails. In his communications, Mr. Lamoutte continues to repeat certain unsubstantiated and irrelevant allegations, this time directed at O'Neill & Borges LLC.

Specifically, Mr. Lamoutte now alleges an nonexistent conflict of interest that he self-servingly suggests must be reported to the Court pursuant to the *Puerto Rico Recovery Accuracy in Disclosures Act* of 2021, 48 U.S.C. 2101 et seq. (hereinafter, "PRRADA"), because of O'Neill & Borges LLC's role as Puerto Rico counsel to the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board") created by the *Puerto Rico Oversight Management and Economic Stability Act* ("PROMESA").

Mr. Lamoutte's unsubstantiated and irrelevant statements, however, are merely intended to advance the discredited allegations he has made on behalf of his clients, in among other cases, *PR Recovery and Development JV, LLC vs. José A. Rovira González y Otros*, BY2020CV01413, and *La Sociedad Legal de Bienes Gananciales Compuesta Ambos y Otros vs. Banco de Desarrollo Económico para Puerto Rico y Otros*, SJ2020CV0449, and repeated by those same clients in *R&D Master Enterprises, Inc., et al., v. The Financial Oversight and Management Board of Puerto*

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*Rico, et al.*, USDC Civil No. 3:21-cv-01317<sup>1</sup> in an attempt to avoid or delay his clients' payment obligations of certain loans granted by the Economic Development Bank for Puerto Rico (by its Spanish acronym, the "BDE").

Specifically, Mr. Lamoutte refers to a certain Loan Sale Agreement entered into as of September 7, 2018, by and between the BDE, as seller, and PR Recovery and Development JV, LLC ("PR Recovery"), as purchaser (the "Contract"), whereby –among other things- his clients' loan obligations were sold to the latter. Mr. Lamoutte conclusorily alleges that this post-petition contract under PROMESA was "to the economic detriment *of the bankruptcy estate (sic)* of the Commonwealth of Puerto Rico" (the "Commonwealth"). (Emphasis added).

As the U.S. Trustee's office well knows, however, the BDE is a public corporation that has "its own legal personality and existence **apart from the Commonwealth of Puerto Rico** and any of its agencies, instrumentalities or public corporations." 7 P.R. Laws Annot. § 611a (emphasis added). BDE is **NOT** a Title III Debtor, nor is it otherwise included in the amended list of Material Interested Parties ("MIP") submitted by the Oversight Board to, and recently approved by, the Title III Court at Docket No. 20467 in Case Number 17-03283-LTS. *See*, the list at Docket No. 20458. Similarly, **neither** the other party to the Contract, PR Recovery, **nor** the other parties mentioned in Mr. Lamoutte's emails, specifically, Parliament Capital Management, LLC and Parliament High Yield Fund, LLC appear listed as an MIP. *Id.*

Simply stated, PRRADA bears no relationship to the BDE, the Contract or any other legal entity mentioned by Mr. Lamoutte. Mr. Lamoutte's irrelevant allegations against O'Neill & Borges LLC here are nothing more than an unsavory effort to advance his client's self-interests and claims.

Very cordially yours,

O'Neill & Borges LLC



Carla García Benítez

Cc: via email:

Hermann D. Bauer, Esq.  
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<sup>1</sup>-Some of these claims have, as a matter of fact, recently been dispelled by the United States District Court for the District of Puerto Rico. *See*, Docket No. 33 at USDC Civ. No. 3:21-cv-01317-RAM.

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